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 CIAE-00 COME-00 CTME-00 INL-00 DODE-00 DOEE-00 DOTE-00
 SRPP-00 DS-00 EAP-00 EB-00 EUR-00 EXIM-01 OIGO-02
 E-00 FAAE-00 FBIE-00 FBO-01 FDRE-01 VC-00 FRB-00
 H-01 TEDE-00 INR-00 IO-00 ITC-01 JUSE-00 L-00
 MFLO-03 MMP-00 AC-01 NEA-00 NSAE-00 NSCE-00 OCS-03
 OES-01 OIC-02 OIG-03 OMB-01 OPIC-01 PA-00 PM-00
 ACE-00 P-00 SCT-00 SP-00 IRM-00 SSO-00 SS-00
 STR-00 TRSE-00 USIE-00 SA-00 ASDS-01 FMP-00 R-00
 SNIS-00 NISC-00 PMB-00 DSCC-00 LBA-00 DRL-02 G-00
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R 171113Z AUG 00
 FM AMEMBASSY KIGALI
 TO SECSTATE WASHDC 6449
 INFO AMEMBASSY WINDHOEK
 AMEMBASSY KINSHASA
 AMEMBASSY BANGUI
 AMEMBASSY HARARE
 AMEMBASSY LUSAKA
 AMEMBASSY LUANDA
 AMEMBASSY BRUSSELS
 AMEMBASSY MOSCOW
 AMEMBASSY KIEV
 AMEMBASSY MINSK
 AMEMBASSY VILNIUS
 AMEMBASSY RIGA

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 AMEMBASSY TEL AVIV
 AMEMBASSY THE HAGUE
 AMEMBASSY PARIS
 USEU BRUSSELS

REVIEW AUTHORITY: Sharon Ahmad, Senior
Reviewer

S E C R E T SECTION 01 OF 03 KIGALI 003121

E.O. 12958: DECL: 08/15/10
 TAGS: KPRP, ASEC, KCRM, ETRD, KPRP, PINR, CG, RW
 SUBJECT: RWANDA: ORGANIZED CRIME INVOLVEMENT IN

DIAMOND INDUSTRY (C-CNO-00829)

REFS: (A) STATE 144367 (B) IIR 6 956 0052 00
(C) IIR 6 956 0055 00 (D) KIGALI 2261

CLASSIFIED BY POLOFF SUSAN PAGE; REASON 1.5 (C)

1. (S/NF) EMBASSY HAS NO EVIDENCE OF RWANDAN TIES TO ORGANIZED CRIME IN THE DIAMOND INDUSTRY IN THE DEMOCRATIC REPUBLIC OF CONGO (DROC) TERRITORY UNDER ITS CONTROL (PER REF A). NONETHELESS, WE PROVIDE
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THE FOLLOWING INFORMATION REGARDING THE DIAMOND TRADE INDUSTRY IN RWANDAN/RCD-GOMA-CONTROLLED TERRITORY IN THE DROC.

2. (S/NF) ACCORDING TO SOURCES FROM RCD-GOMA AND RWANDAN AND CONGOLESE BUSINESSMEN, A LEBANESE MAN NAMED AHMED (LNU) (AKA HAMED, HAMAD OR HAMID) WON MAJORITY, BUT NOT EXCLUSIVE, RIGHTS TO EXPORT CONGOLESE DIAMONDS LOCATED IN/AROUND KISANGANI IN DROC TERRITORY CONTROLLED BY RCD-GOMA AND THE RWANDAN PATRIOTIC ARMY (RPA). ACCORDING TO RCD-GOMA [REDACTED], THE DEAL WAS FIRST ARRANGED IN KIGALI AND THEN SIGNED BY RCD-GOMA CHIEF OF LAND, MINES, AND ENERGY, EMMANUEL KAMANZI. [REDACTED] BELIEVED THE LEBANESE AGREED TO PAY "AN ADVANCE" OF USD 200,000, APPROXIMATELY 10 PERCENT OF THE VALUE OF DIAMONDS "AHMED" WILL BE ALLOWED TO EXPORT (I.E., DIAMONDS WORTH APPROXIMATELY USD 2 MILLION). [REDACTED] STATED THAT EXACTLY HALF OF THE USD 200,000 "IS FOR KIGALI; THE OTHER HALF IS FOR RCD-GOMA" COFFERS IN KISANGANI. [REDACTED] CONTINUED, SAYING THE DEAL WAS NOT A CONCESSION LIKE IN MBUJI-MAYI WHERE THE MINING COMPANIES EMPLOY SALARIED EMPLOYEES TO DO THE MINING. WITH THE EXCEPTION OF THE LARGE UP-FRONT FEE, AHMED WILL OPERATE LIKE THE OTHER DIAMOND BUYERS.

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3. (S/NF) RCD-GOMA OFFICIALS AND RWANDAN AND CONGOLESE BUSINESSMEN EXPLAINED TO US THE BASIC DIAMOND EXPORTATION PROCESS. IN KIGALI, BUSINESSMEN GO FIRST TO "THE CONGO DESK," WHICH, THEY SAY, IS
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OPERATED BY THE RWANDAN EXTERNAL SECURITY SERVICES. THE MEN MENTIONED MOST FREQUENTLY AS THE CONGO DESK REPRESENTATIVES ARE CHIEF OF EXTERNAL SERVICES COLONEL PATRICK KAREGEYA, MAJOR DAN MUNYUZA, AND GATETE (FNU) (ALSO SOMETIMES REFERRED TO AS "DAN" GATETE). (GATETE IS BELIEVED TO BE AN RPA MAJOR WHO WORKS DIRECTLY FOR RPA CHIEF OF STAFF BG KAYUMBA NYAMWASA.) MANY SOURCES CLAIM THAT THEIR MAIN

CONTACT IS "DAN," REFERRING SOMETIMES TO GATETE,
OTHER TIMES MEANING MUNYUZA (REFS B AND C).

4. (S/NF) SOURCES TOLD US THAT TYPICALLY, A FIVE
PERCENT "TAX" MUST BE PAID TO THE CONGO DESK IN
RWANDA FOR PERMISSION TO EXPORT DIAMONDS LOCATED IN
THE RPA/RCD-GOMA SECTOR OF THE DROC. WE HAVE ALSO
HEARD THAT A FLAT FEE, RANGING FROM USD 20,000 TO
USD 100,000 MUST BE PAID (REFS B AND D). IT IS
UNCLEAR HOW LONG THE EXPORT RIGHTS "LAST" ONCE THE
TAX OR FLAT FEE HAS BEEN PAID AND WHETHER THE FEES
ARE DIFFERENT DEPENDING ON THE COMMODITY (REF D).
RCD-GOMA'S [] SAID THAT THE RPA USES THIS MONEY
FOR THE WAR EFFORT IN CONGO. HE HAD NO DOUBT THAT
THE RPA USES THE MONEY TO PURCHASE WEAPONS, FOOD,
CLOTHING, AND MEDICINE FOR THE RPA (REF B PROVIDES
SIMILAR COMMENTARY).

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NISC-00 PMB-00 DSCC-00 LBA-00 DRL-02 G-00 NFAT-00
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R 171113Z AUG 00
FM AMEMBASSY KIGALI
TO SECSTATE WASHDC 6450
INFO AMEMBASSY WINDHOEK
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AMEMBASSY BANGUI
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S E C R E T SECTION 02 OF 03 KIGALI 003121

E.O. 12958: DECL: 08/15/10

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5. (S/NF) INDEPENDENT CONGOLESE DIAMOND MINERS TAKE THEIR DIAMONDS TO THE "MAISON D'ACHATS" (BUYING HOUSE) WHICH PURCHASES THE DIAMONDS. THE COMPTOIRS THEN APPROACH DIRECTLY THE DIAMOND "TRAFFICKER" WHO IN TURN BUYS THE DIAMONDS. THE TRAFFICKER TAKES HIS NEWLY PURCHASED DIAMONDS TO THE CENTRE NATIONAL D'EXPERTISE (CNE, PART OF THE DEPARTMENT OF MINES) WHO EVALUATES THE DIAMONDS AND PROVIDES THE DIAMOND TRAFFICKER WITH A CERTIFICATE THAT REFLECTS THE
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VALUE OF THE DIAMONDS. THE TRAFFICKER MUST THEN PAY TEN PERCENT OF THE APPRAISED VALUE OF THE DIAMONDS TO THE CENTRAL BANK. A CERTIFICATE IS GIVEN CONFIRMING THAT THE TRAFFICKER HAS PAID THE REQUIRED FEES AND MAY NOW EXPORT THE DIAMONDS FROM DROC.

6. (S/NF) UPON ARRIVAL IN KIGALI, RCD-GOMA SOURCES CLAIM THAT THE DIAMOND EXPORTER IS PROTECTED AND/OR ESCORTED FROM THE TARMAC BY RWANDAN EXTERNAL SECURITY AGENTS AND NO ADDITIONAL DUTIES OR OTHER FEES ARE PAID IN KIGALI (REF B PROVIDES SIMILAR REPORTING). SOME OF THE DIAMOND EXPORTERS CLAIM THAT PRIOR TO TRAVEL ON SABENA AIRWAYS (THE ONLY EUROPEAN AIR CARRIER OPERATING FROM KIGALI), THEY HIDE THEIR DIAMONDS IN FILLED SHAMPOO BOTTLES TO AVOID PAYING CUSTOMS DUTIES IN EUROPE. OTHER DEALERS SAY THAT THEY RE-SELL AND THEN PACKAGE FOR SHIPMENT THE DIAMONDS TO AN END-BUYER IN EUROPE WHO IS RESPONSIBLE FOR ALL TAXES UPON IMPORT; THE RWANDAN/CONGOLESE BUSINESSMEN DO NOT THEMSELVES TRAVEL WITH THE BOUNTY.

7. (S/NF) BESIDES THE LEBANESE EXPORTER, AHMED,

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RCD-GOMA'S [] SAID THERE ARE OTHER SMALLER DEALERS OPERATING IN RPA/RCD-GOMA-CONTROLLED TERRITORY. ONE IS A LEBANESE NAMED SAMMY (LNU) AND ANOTHER IS "A BELGIAN JEW NAMED YVES" (LNU). [] SPECULATED THAT THESE TWO MEN MOST LIKELY WORK FOR AHMED, BUT HAVE ESTABLISHED THEMSELVES AS SEPARATE ENTITIES TO MAKE IT APPEAR THAT THERE IS COMPETITION FOR DIAMONDS OTHER THAN AHMED. [] BELIEVES THAT THE THREE MEN

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CONSPIRE TOGETHER TO FIX A PRICE FOR THE DIAMONDS, ENSURING THAT THEY PAY THE DIAMOND SELLER (COMPTOIR) THE LOWEST PRICE. WITHOUT "REAL COMPETITION," THE REVENUE EARNED BY RCD-GOMA ON CONGOLESE DIAMOND EXPORTS IS SIGNIFICANTLY LESS THAN IT SHOULD BE. [] SAID SUCH A MONOPOLY ENCOURAGES OTHER DIAMOND DEALERS TO USE ILLEGAL MEANS TO EXPORT THEIR DIAMONDS, THROUGH UGANDA OR ELSEWHERE, THUS "DEPRIVING" THE RCD OF DIAMOND REVENUE.

8. (S/NF) [] SAID DIAMOND REVENUES ARE SUPPOSED TO BE DEPOSITED INTO THE GENERAL BUDGET ACCOUNT OF THE RCD. THE REVENUE IS THEN DISTRIBUTED AS FOLLOWS: 24 PERCENT GOES TO THE PROVINCE WHERE THE DIAMONDS ORIGINATED; SIX PERCENT GOES TO THE REVENUE AUTHORITY (DIRECTEUR GENERAL DES RECETTES ADMINISTRATIVE ET DOMAINIALE, DGRAD); THE REMAINING 70 PERCENT GOES INTO THE GENERAL RECEIPTS ACCOUNT. DIAMOND DEALERS BASED IN KIGALI HAVE TOLD US THAT INDIVIDUAL MONUC OFFICERS HAVE APPROACHED DIAMOND DEALERS OFFERING TO SELL DIAMONDS TO THE DEALERS. [] BLUNTLY SAID THAT MONUC OFFICERS, WITH NOTHING TO DO "OTHER THAN DRINK AND WOMANIZE, ARE TRAFFICKING IN DIAMONDS AND PROFITING PERSONALLY OFF OF THE CONGO WAR."

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9. (S/NF) DESPITE THE RPA/RCD-GOMA DEAL WITH AHMED,
OTHER DIAMOND DEALERS CONTINUE TO OPERATE IN THE
MANNER DESCRIBED ABOVE. ONE SUCH DEALER KNOWN TO US
IS GEORGES M. HERMANN, A BELGIAN OF JEWISH ORIGIN,
WHOSE FAMILY ALLEGEDLY OWNS A FAMILY DIAMOND
BUSINESS IN ANTWERP. OTHER COMPANIES WITH DIAMOND
DEALERS KNOWN TO US ARE BERKOVIC AND CENTRAFICA
AIRWAYS. NEW GOMAIR AVIATION COMPANY, AMONGST OTHER
SMALL COMPANIES FLY BUSINESSMEN AND THEIR GOODS
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(DIAMONDS OR OTHER TRADE) IN AND OUT OF DROC. NEW
GOMAIR OWNER JEAN DE DIEU GATO TOLD US RECENTLY THAT
THEIR BUSINESS HAS BEEN DOWN LATELY. HE ALSO SAID
THAT NEW GOMAIR IS ALSO OPERATING OUT OF ADDIS

ABABA.
MINIMIZE CONSIDERED.
STAPLES

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